

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Molding Systems Corporation

Illinois Manufacturing Extension Center

New Marketing Strategy Grows Molding Systems' Customer Base

Client Profile:

Molding Systems, Inc. is a manufacturer of custom injection molds and molded products. Located in Olney, Illinois, the company currently employs less than 50 people.

Situation:

Molding Systems, Inc. does 98 percent of its business with Tier 1 suppliers to automakers. As such, the company is particularly vulnerable to economic downturns and drops in consumer spending on large ticket items. Typically, when the automakers pull back production, their first-tier suppliers bring manufacturing in-house and eliminate production that would ordinarily be outsourced to companies like Molding Systems Corporation. The company's leadership knew it had the equipment and capabilities to diversify to a wide range of industries, and decided to take proactive measures to become more "recession proof." However, limited internal resources made developing new markets an ambitious goal. Already engaged with the Illinois Manufacturing Extension Center (IMEC), a NIST MEP network affiliate, on several business improvement projects (including pursuit of QS 9000 quality registration), Molding Systems asked IMEC to help it prepare an approach to securing new business.

Solution:

IMEC conducted a detailed marketing assessment for Molding Systems, pinpointing the market potential for its products and services while analyzing the most profitable and valuable existing customers. IMEC identified a number of diverse industries as potential markets for Molding Systems' products and services, including medical, commercial boating, automotive aftermarket, and furniture. IMEC then contracted with NKW Marketing to call companies in each industry and identify qualified prospects. Finally, IMEC worked with Molding Systems to develop professional sales messages and a literature package to support the sales effort.

Results:

Identified approximately 150 qualified prospects.
Actively pursuing 50 leads with an anticipated sales rate of 10 percent.
Tapped several new markets independent of the automotive industry.

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Projecting \$10 million in new annual sales.

Testimonial:

"Our company was established in the automotive business, but as a custom molder, working in new industries isn't a huge leap. We can continue to grow in automotive, but it's competitive and expensive. The Illinois Manufacturing Extension Center gave us exposure to resources we wouldn't have had otherwise; we're now well-positioned to diversify and grow our business long-term."

Kent Staley, Sales and Marketing Director